

**PROJECT CREDIT DESPAIR
SWEEP ACTION LIST**

ACTION NAME	TYPE OF ACTION	MATTER INFORMATION	STATUS	RESPONSIBLE AGENCY	PRESS CONTACT
FTC v. Bad Credit B Gone, LLC, and Joseph A. Graziola, III	Civil case alleging violations of the CROA and the FTC Act.	Complaint filed in federal court in the Northern District of Illinois (1/18/06).	Temporary restraining order with asset freeze and other equitable relief obtained (1/19/06). Hearing regarding preliminary injunction on 2/2/06.	Federal Trade Commission	Claudia Bourne Farrell (202) 326-2181 William J. Hodor (312) 960-5634
Joseph Graziola d/b/a Bad Credit B Gone	Federal search warrant.	On 1/19/06, postal inspectors executed a federal search warrant at 100 Chaps Lane, West Chester, PA, the home and office of Joseph Graziola d/b/a Bad Credit B Gone.	Matter ongoing.	U.S. Postal Inspection Service	Debra Maiorano (215) 895-8528
U.S. v. Cornerstone Wealth Corp., d/b/a Credit Financial Services, and John Atchley, Jr.	Civil case alleging violations of the CROA and the FTC Act.	Contempt action filed by the U.S. Department of Justice on 11/2/05 for violations of a previous consent order. De novo action filed by the U.S. Department of Justice on 11/2/05 for violations of the Credit Repair Organizations Act.	Matter ongoing.	Federal Trade Commission U.S. Department of Justice	Claudia Bourne Farrell (202) 326-2181 Eli Padilla (FTC) (214) 979-9382 Alan Phelps (DOJ) (202) 307-6154
Centennial Consultant	State law action.	Civil investigative demand issued. Awaiting response.	Ongoing investigation of credit repair organization.	Office of the Arkansas Attorney General Mike Beebe	Matt DeCample (501) 682-0517 Kendra Akin Jones Assistant Attorney General (501) 682-7383

MyPerfectCredit.com	State law action.	Civil investigative demand issued to credit repair organization operating in AR. Documents submitted by entity for review.	Ongoing investigation of credit repair organization.	Office of the Arkansas Attorney General Mike Beebe	Matt DeCample (501) 682-0517 Kendra Akin Jones Assistant Attorney General (501) 682-7383
Unlimited Services	State law action.	Civil investigative demand issued and a partial response received. Interviews pending.	Ongoing investigation of credit repair organization.	Office of the Arkansas Attorney General Mike Beebe	Matt DeCample (501) 682-0517 Kendra Akin Jones Assistant Attorney General (501) 682-7383
Vision Group	State law action.	Civil investigative demand issued to AR credit repair organization. On-site inspection also conducted.	Ongoing investigation of credit repair organization.	Office of the Arkansas Attorney General Mike Beebe	Matt DeCample (501) 682-0517 Kendra Akin Jones Assistant Attorney General (501) 682-7383

<p>The People of the State of California v. Pathwaydata, Inc., d/b/a MyPerfectCredit and Palisadespwd; David Coulter; and Does 1 through 20, inclusive.</p>	<p>Civil case alleging unfair and deceptive business practices and violations of the California Credit Services Act.</p>	<p>Complaint and Final Judgment and Permanent Injunction filed in Superior Court of the State of California on 2/1/06.</p>	<p>Complaint filed against entity alleged to be engaged in unfair and deceptive business practices and operating unregistered in California. My Perfect Credit promised a free credit report and required consumers to designate within a short period of time which negative information on the report they wished to dispute. In the absence of such designation My Perfect Credit would frequently challenge all negative information and bill the consumer for each challenge with each credit reporting agency. In addition, My Perfect Credit acquired a portfolio of customers from another credit repair business and automatically enrolled them in its program if the consumer failed to respond to its e-mail. When these consumers did not pay, they were turned over to a collection agency.</p> <p>Final Judgment and Permanent Injunction filed concurrent with complaint containing injunctive provisions, civil penalty of \$150,000, and payment of costs and attorney's fees.</p>	<p>Office of the California Attorney General</p>	<p>Tom Dresslar (916) 324-5508</p>
<p>State of Florida, Office of the Attorney General, Department of Legal Affairs v. New Leaf Associates, LLC, James M. Patterson, Quantum Business Consultants, LLC, Thomas Spiller, WJC & Associates, LLC, <i>et al.</i></p>	<p>Civil case under Florida Deceptive and Unfair Trade Practices Act.</p>	<p>Complaint filed 7/7/05 in the Sixth Judicial Circuit in Pinellas County, Florida. A temporary injunction was entered that day and extended on 8/11/05.</p>	<p>The action remains pending, and the temporary injunction remains in place.</p>	<p>Office of the Attorney General of Florida</p>	<p>JoAnn Carrin (850) 245-0150</p>

State of Illinois v. National Association Credit Services, Inc., a Florida Corporation, d/b/a Liberty Group Services	Civil case alleging violations of the Telemarketing Sales Rule, the Illinois Consumer Fraud Act, and the Illinois Credit Services Organizations Act.	Complaint filed in federal court in the Northern District of Illinois on November 10, 2005.	Complaint Pending.	Illinois Attorney General's Office	Janice Parker, Assistant Attorney General (312) 814-3945 Ryan Tyrrell, Assistant Attorney General (312) 814-3740
Commonwealth of Kentucky Office of Attorney General Credit Repair Investigation #1*	State law action (allegations of unfair, false, misleading or deceptive business practices in violation of Kentucky Consumer Protection Act). State law enforcement of federal Credit Repair Organizations Act (entity allegedly accepted monies in advance of credit repair).	Subpoena and Civil Investigative Demand issued to Kentucky credit repair organization.	Ongoing investigation of credit repair organization.	Commonwealth of Kentucky Office of Attorney General	Kevin R. Winstead Assistant Attorney General (502) 696-5389
State of Louisiana Office of Financial Institutions (OFI) Credit Repair Target #1**	State law action (entity operated and advertised without a license as required by state law).	Subpoena and cease and desist order issued to unlicensed entity located in Gonzales, Louisiana.	Denied application for credit repair services organization license filed by entity.	State of Louisiana Office of Financial Institutions	Ann B. Lemenager, Chief Examiner, Nondepository (225) 925-1944 Susan P. Jandle Review Examiner
State of Louisiana Office of Financial Institutions (OFI) Credit Repair Target #2**	State law action (application for license to operate a credit repair services organization in Louisiana).	Application received from out-of-state entity to operate a credit repair services organization in Louisiana.	Denied out-of-state entity application for a license to operate a credit repair services organization in Louisiana.	State of Louisiana Office of Financial Institutions	Ann B. Lemenager, Chief Examiner, Nondepository (225) 925-1944 Susan P. Jandle Review Examiner

* Name withheld for confidentiality purposes under Kentucky state law. KRS 367.250.

** Name withheld for confidentiality purposes under Louisiana state law. LSA-R.S. 9:3518.1 and LSA-R.S. 6:103.

State of Louisiana Office of Financial Institutions (OFI) Credit Repair Target #3**	State law action. LA-R.S. 9:3573.2(5).	Notification of exemption of attorney to perform credit repair activities on behalf of out-of-state law firm.	Denied exemption under LA-R.S. 9:3573.11(C)(2).	State of Louisiana Office of Financial Institutions	Ann B. Lemenager, Chief Examiner, Nondepository (225) 925-1944 Susan P. Jandle Review Examiner
State of Louisiana Office of Financial Institutions (OFI) Credit Repair Target #4**	State law action (entity accepted monies in advance of credit repair and operated unlicensed).	Refunds made to consumers in the amount of \$2870. Entity later discovered to be operating unlicensed under a different name. Administrative subpoena issued and petition for temporary restraining order granted (2005).	Matter ongoing.	State of Louisiana Office of Financial Institutions	Ann B. Lemenager, Chief Examiner, Nondepository (225) 925-1944 Susan P. Jandle Review Examiner
State of Louisiana Office of Financial Institutions (OFI) Credit Repair Target #5**	State law action (entity operated without a license and accepted monies in advance of credit repair).	Petition for preliminary injunction granted against Metairie, LA, entity.	Claim against \$25,000 performance bond obtained and distribution of bond proceeds to consumers in progress.	State of Louisiana Office of Financial Institutions	Ann B. Lemenager, Chief Examiner, Nondepository (225) 925-1944 Susan P. Jandle Review Examiner
State of Louisiana Office of Financial Institutions (OFI) Credit Repair Target #6**	State law action (entity operated without a license and accepted monies in advance of credit repair).	Subpoena issued to New Orleans credit repair entity.		State of Louisiana Office of Financial Institutions	Ann B. Lemenager, Chief Examiner, Nondepository (225) 925-1944 Susan P. Jandle Review Examiner
State of Louisiana Office of Financial Institutions (OFI) Credit Repair Target #7**	State law action (entity operated without a license and accepted monies in advance of credit repair).	Administrative subpoena duces tecum issued to non-profit entity in Gretna, LA. OFI discovered unlicensed credit repair services organization.	Ordered unlicensed entity and associated individuals to make refunds to consumers.	State of Louisiana Office of Financial Institutions	Ann B. Lemenager, Chief Examiner, Nondepository (225) 925-1944 Susan P. Jandle Review Examiner

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state law.

State of Louisiana Office of Financial Institutions (OFI) Credit Repair Target #8**	State law action (entity operated without a license and accepted monies in advance of credit repair).		Ordered unlicensed LLC and associated individuals in Shreveport, LA, to make refunds.	State of Louisiana Office of Financial Institutions	Ann B. Lemenager, Chief Examiner, Nondepository (225) 925-1944 Susan P. Jandle Review Examiner
State of Louisiana Office of Financial Institutions (OFI) Credit Repair Target #9**	State law action (entity operated without a license and accepted monies in advance of credit repair).	Issued cease and desist order to Baton Rouge entity and several associated individuals.	Ordered unlicensed entity to make refunds. Refunds in the amount of \$3109 made to consumers.	State of Louisiana Office of Financial Institutions	Ann B. Lemenager, Chief Examiner, Nondepository (225) 925-1944 Susan P. Jandle Review Examiner
State of Louisiana Office of Financial Institutions (OFI) Credit Repair Target #10**	State law action (entity operated without a license and accepted monies in advance of credit repair).	Ordered unlicensed entity to make refunds.		State of Louisiana Office of Financial Institutions	Ann B. Lemenager, Chief Examiner, Nondepository (225) 925-1944 Susan P. Jandle Review Examiner
State of Ohio v. Business Group Alternatives, New Leaf Associates, <i>et al.</i>	Civil case alleging violations of the Ohio Consumer Sales Practices Act, Ohio Home Solicitation Sales Act, and the Ohio Debt Adjusting Act.	Complaint filed in Mahoning County Common Pleas Court on 2/2/06 against Florida-based companies offering “debt termination” services and the Ohio-based independent contractors who sold those services to Ohio residents.	Complaint filed seeking declaratory and injunctive relief, damages, and civil penalties.	Ohio Attorney General’s Office	Michelle Gatchell (614) 466-3840

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state law.

State of Tennessee v. Britlee, Inc., d/b/a The Military Zone, a/k/a Militaryzone.com, a/k/a Laptoyz Computers and Electronics, Stuart L. Jordan, individually d/b/a Britlee, Inc., d/b/a Millenium Finance, Inc., Rome Finance Company, Inc., and Millenium Finance, Inc.	Civil case alleging violations of the Tennessee Consumer Protection Act and the Tennessee Credit Services Business Act.	Complaint filed in the Circuit Court of Montgomery County, Tennessee, on 9/23/05.	Temporary restraining order obtained against Montgomery County business for allegedly misrepresenting finance charges, making false claims including that they could “build, rebuild or repair credit,” and overcharging Ft. Campbell soldiers while claiming they were getting “discounts” for merchandise. Case removed to federal court and now remanded back to state court for a injunction hearing.	Office of the Tennessee Attorney General	Sharon Curtis-Flair (615) 741-5860 John S. Smith, III, Assistant Attorney General (615) 532-3382
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